

REMARKS

The Office Action dated February 25, 2008, has been received and carefully considered. In this response, the specification and claims 1-10 have been amended, and claims 11-20 have been added. No new matter has been added. Entry of the amendments to the specification and claims 1-10, and added claims 11-20, is respectfully requested. Reconsideration of the current objections/rejections in the present application is also respectfully requested based on the following remarks.¹

I. THE ELECTION/RESTRICTION REQUIREMENT

On page 2 of the Office Action, the Examiner indicates that the election/restriction requirement has been withdrawn. However, in doing so, the Examiner mischaracterizes Applicant's prior arguments. Specifically, the Examiner asserts that Applicant stated that claims 1-7 and claims 8-10 are not drawn to distinct inventions. Applicant never made such a statement. In contrast, Applicant stated that the present application does not claim two independent and distinct inventions.

¹ As Applicant's remarks with respect to the Examiner's rejections are sufficient to overcome these rejections, Applicant's silence as to assertions made by the Examiner in the Office Action or certain requirements that may be applicable to such rejections (e.g., assertions regarding dependent claims, whether a reference constitutes prior art, whether references are legally combinable for obviousness purposes) is not a concession by Applicant that such assertions are accurate or such requirements have been met, and Applicant reserves the right to analyze and dispute such in the future.

Under 35 U.S.C. § 121, restriction is appropriate if two or more independent and distinct inventions are claimed in one application. As set forth in MPEP § 802.01, inventions are independent if there is no disclosed relationship between the two or more subjects disclosed, and inventions are distinct if two or more subjects as disclosed are capable of separate manufacture, use, or sale as claimed.

The Examiner attempted to explain how the claimed method as recited in claims 1-7 is distinct from the claimed method as recited in claims 8-10. However, the Examiner failed to explain how the claimed method as recited in claims 1-7 is independent from the claimed method as recited in claims 8-10. That is, both the claimed method as recited in claims 1-7 and the claimed method as recited in claims 8-10 are directed to processing electronic transactions. Indeed, the Examiner acknowledges that the claimed method as recited in claims 1-7 and the claimed method as recited in claims 8-10 are related. Thus, the claimed method as recited in claims 1-7 and the claimed method as recited in claims 8-10 are related and are not independent from each other.

II. THE OBVIOUSNESS REJECTION OF CLAIMS 1 AND 3-7

On pages 2-5 of the Office Action, claims 1 and 3-7 were rejected under 35 U.S.C. § 103(a) as being unpatentable over

Chenevich et al. (U.S. Patent Application Publication No. US2002/0111886A1) in view of Official Notice. This rejection is hereby respectfully traversed with amendment.

Under 35 U.S.C. § 103, the Patent Office bears the burden of establishing a *prima facie* case of obviousness. In re Fine, 837 F.2d 1071, 1074 (Fed. Cir. 1988). There are four separate factual inquiries to consider in making an obviousness determination: (1) the scope and content of the prior art; (2) the level of ordinary skill in the field of the invention; (3) the differences between the claimed invention and the prior art; and (4) the existence of any objective evidence, or "secondary considerations," of non-obviousness. Graham v. John Deere Co., 383 U.S. 1, 17-18 (1966); see also KSR Int'l Co. v. Teleflex Inc., 127 S. Ct. 1727 (2007). An "expansive and flexible approach" should be applied when determining obviousness based on a combination of prior art references. KSR, 127 S. Ct. at 1739. However, a claimed invention combining multiple known elements is not rendered obvious simply because each element was known independently in the prior art. Id. at 1741. Rather, there must still be some "reason that would have prompted" a person of ordinary skill in the art to combine the elements in the specific way that he or she did. Id.; In re Icon Health & Fitness, Inc., 496 F.3d 1374, 1380 (Fed. Cir. 2007). Also, modification of a prior art reference may be obvious only if

there exists a reason that would have prompted a person of ordinary skill to make the change. KSR, 127 S. Ct. at 1740-41.

Regarding claim 1, the Examiner asserts that the claimed invention would have been obvious in view of Chenevich et al. Applicant respectfully disagrees. However, in order to forward the present application toward allowance, Applicant has amended claim 1-10 to more specifically define the claimed invention, and specifically those features that differentiate the claimed invention from Chenevich et al., as well as the other cited references. In particular, Applicant respectfully submits that Chenevich et al., as well as the other cited references, fail to disclose, or even suggest, a method of accounting an electronic transaction, wherein the transaction is initiated by a payer from an electronic terminal, wherein the method comprises delivering to an accounting system: a transaction code describing a type of transaction, an amount describing a value of the transaction, a payer's ID assigned to a payer, and a payee's ID assigned to a payee, wherein the transaction code, the amount, the payer's ID, and the payee's ID are delivered to the accounting system when the payer initiates a connection between the electronic terminal and the accounting system; verifying, via the accounting system, whether the payer is an authorized user, whether a beneficiary with the payee's ID exists and what types of transactions are handled by the

beneficiary, and whether the amount is available in a payment account of the payer; sending from the accounting system cumulative information regarding the transaction to the payer, wherein the cumulative information preferably contains extended information on the transaction; requesting the payer to accept the transaction by sending an acceptance for the transaction; effecting accounting of the transaction on the payment account via the accounting system; sending acknowledgment of payment to the payee including additional information on the payer which is not directly related to transaction accounting; and sending acknowledgment of the transaction to the payer including additional information delivered to the accounting system by the payee, as presently claimed. More specifically, a pivotal innovative aspect of the claimed invention is the fact that most of the data necessary to complete a payment transaction is delivered from a payer's terminal to a server (e.g., the accounting system), not during a communications session between the terminal and the server, but in the course of establishing a connection between the terminal and the server (e.g.; they may be delivered in the same command that causes the connection to be established). Such approach substantially expedites a delivery of the transaction data and consequently shortens the total transaction execution time. Furthermore, since the server is presented with the substantially complete transaction context

at the time of transaction connection establishment, the server is able to determine whether the connection should be established for the purpose of final completion of the transaction or it should be immediately aborted, thus limiting the use of system resources. In summary, while the claimed method operates in a connection oriented mode, substantially all transaction data is not transferred while in a connection state, but rather while a connection is being established. The data exchanged while in the connection state may be limited to those (if any) necessary for transaction authorization (e.g., PIN) or needed as a result of data input error. Support for this pivotal aspect of the claimed invention may be found on page 3, lines 24-27; page 15, lines 15-20; page 16, lines 5-9; page 7, lines 5-9; page 16, lines 8-13; and Examples 1, 3, 5, and 8. In contrast, Chenevich et al., as well as the other cited references, fail to disclose, or even suggest, this pivotal aspect of the claimed invention.

Also, the Examiner alleges that it is well known in the art for an accounting system to send acknowledgements to both payers and payees. However, the claimed invention recites more than just sending an acknowledgement (e.g., the claims recite additional payee information), as acknowledged by the Examiner. Thus, Applicant respectfully traverses this rejection because there is no support in the record for the conclusion that the

claimed features are "old and well known." In accordance with MPEP § 2144.03, the Examiner must cite a reference in support of his position.

In view of the foregoing, is it respectfully submitted that claim 1 is allowable over Chenevich et al.

Regarding claims 3-7, these claims are dependent upon independent claim 1. Thus, since independent claim 1 should be allowable as discussed above, claims 3-7 should also be allowable at least by virtue of their dependency on independent claim 1. Moreover, these claims recite additional features which are not disclosed, or even suggested, by the cited references taken either alone or in combination.

In view of the foregoing, it is respectfully requested that the aforementioned obviousness rejection of claims 1 and 3-7 be withdrawn.

At this point it should be noted that new claims 11-20 have been added to cover additional novel features of the disclosed invention. Claims 11-20 recite subject matter related to claims 1 and 3-7. Thus, the arguments set forth above with respect to claims 1 and 3-7 are equally applicable to claims 11-20. Accordingly, is it respectfully submitted that claims 11-20 are allowable over Chenevich et al., Official Notice, and the other cited references (e.g., Schimmel) for the same reasons as set forth above with respect to claims 1 and 3-7.

III. THE OBVIOUSNESS REJECTION OF CLAIMS 2-7

On pages 5-7 of the Office Action, claims 2-7 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Chenevich et al. (U.S. Patent Application Publication No. US2002/0111886A1) in view of Official Notice and in further view of Schimmel (U.S. Patent Application Publication No. US2002/0103753). This rejection is hereby respectfully traversed.

It is respectfully submitted that the aforementioned obviousness rejection of claims 2-7 has become moot in view of the deficiencies of the primary references (i.e., Chenevich et al. and Official Notice) as discussed above with respect to independent claim 1. That is, claims 2-7 are dependent upon independent claim 1 and thus inherently incorporate all of the limitations of independent claim 1. Also, the secondary reference (i.e., Schimmel) fails to disclose, or even suggest, the deficiencies of the primary references as discussed above with respect to independent claim 1. Indeed, the Examiner does not even assert such. Thus, the combination of the secondary reference with the primary references also fails to disclose, or even suggest, the deficiencies of the primary references as discussed above with respect to independent claim 1. Accordingly, claims 2-7 should be allowable over the combination of the secondary reference with the primary references at least

by virtue of its/their dependency on independent claim 1. Moreover, claims 2-7 recite additional features which are not disclosed, or even suggested, by the cited references taken either alone or in combination.

IV. THE OBVIOUSNESS REJECTION OF CLAIMS 8-10

On page 7 of the Office Action, claims 8-10 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Chenevich et al. (U.S. Patent Application Publication No. US2002/0111886A1) in view of Official Notice and in further view of Schimmel (U.S. Patent Application Publication No. US2002/0103753). This rejection is hereby respectfully traversed.

Regarding claim 8, this claim recites subject matter related to claim 1. Thus, the arguments set forth above with respect to claim 1 are equally applicable to claim 8. Accordingly, is it respectfully submitted that claim 8 is allowable over Chenevich et al., Official Notice, and Schimmel for the same reasons as set forth above with respect to claim 1.

Regarding claims 9 and 10, these claims are dependent upon independent claim 8. Thus, since independent claim 8 should be allowable as discussed above, claims 9 and 10 should also be allowable at least by virtue of their dependency on independent claim 8. Moreover, these claims recite additional features

which are not disclosed, or even suggested, by the cited references taken either alone or in combination.

In view of the foregoing, it is respectfully requested that the aforementioned obviousness rejection of claims 8-10 be withdrawn.

V. CONCLUSION

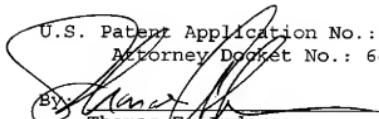
In view of the foregoing, it is respectfully submitted that the present application is in condition for allowance, and an early indication of the same is courteously solicited. The Examiner is respectfully requested to contact the undersigned by telephone at the below listed telephone number, in order to expedite resolution of any issues and to expedite passage of the present application to issue, if any comments, questions, or suggestions arise in connection with the present application.

To the extent necessary, a petition for an extension of time under 37 CFR § 1.136 is hereby made.

Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account No. 50-0206, and please credit any excess fees to the same deposit account.

Respectfully submitted,

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